

Global Corporate Security - Experiences & Lessons

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1. Introduction

This paper reviews the essential features of the philosophy of corporate security, its historical development and the growth of the impact of globalisation and the development of the corporate culture. The presentation will consider the impact of a range of external influences, including the New World Order, terrorism, environmentalism and the impact of litigation and changes in perception of corporate liability. It considers the positive developments in the changes in security professionalism and the development of the academic base as well as the contributions which security can make to the corporate bottom line.

The origins of private security

This is a subject worthy of a paper in its own right and it is a continuing mystery to me why more attention is not paid to the way in which the present provision of security services has grown up.

To determine what has created this global security phenomenon one has first to understand how public policing came to be accepted as the norm and private policing as something of a distraction or aberration. The simplest way to do this (mainly because of the wealth of records and contemporary source material) is to look to the roots of the English legal system and to the earliest days of the English Common Law and law enforcement.

One of the best accounts of the growth of the concept of the provision of law and order as a public priority in England can be found (ironically) in a US publication. Bilek, Klotter and Keegan (1981) trace the growth of public law enforcement from its earliest days. Bilek, one of the foremost US commentators on the private security industry, suggests that:

The main goal of Anglo-Saxon law...was to prevent anarchy by forbidding individuals to settle their own disputes violently. Originally, the best the state could hope to do to preserve order was to strictly regulate the manner in which people sought revenge for wrongs done to them or to their relatives

This somewhat limited objective appears to have been met, for both civil law and canon law appeared to promote the idea of compensation for wrongs rather than retribution. By the time of King Alfred (circa 871 - 899) the system had become formalised with the establishment of the 'bot' or payment of compensation paid by the transgressor to the injured party or his or her family. The amount of the bot was based on the severity of the

injury as well as the social status of both parties. In recognition of the fact that some crimes were public rather than private matters an additional payment known as a 'wite' was introduced as a punishment for offences that affected the peace of the community as a whole. In recognition of the fact that this was now the King's Peace, the payments were made to the Crown through the king's local representative, the Shire Reeve.

Bilek makes the point that Saxon justice was hard. There was no attempt to evaluate motives or states of mind. There was no recognition of the crime of self defence. The only intention of the law was to placate the injured parties in order to prevent acts of reprisal which would inevitably spill over into conflict within the larger community. The Anglo Saxons, enjoying a period of relative tranquillity in a recently unified state were wary of the blood feud which, under certain circumstances, could even result in civil war.

The development of criminal and civil law further eroded individuals' rights to impose their own sanctions against those who violated their rights. The traditional methods of community law enforcement (the concept of Tithings and Hundreds) where small groups were made responsible for the behaviour of all members of the group were eventually absorbed into a Royal system of justice where the Shire Reeve became, as the Norman Sheriff, responsible for administering the King's justice in a shire or county.

This Anglo Saxon 'self-help' law enforcement concept was continuously eroded by Norman perceptions of justice and law enforcement. Bilek notes that under the Assize of Clarendon of 1166 community leaders became responsible for reporting to the sheriff any suspicious persons found in the locality. The development of the feudal system and the growth of communities centred on larger manors further impacted on what was left of the tithing system with the appointment of a manorial official known as the constable. The constable became responsible for maintaining law and order and for bringing offenders to the attention of the lord of the manor who, under the feudal system, would have the power of low justice (that is, dealing with what would today be considered to be summary offences).

Under the Statute of Winchester of 1285 (13 Ed.I) the modern concept of watch and ward policing was introduced. This provided for the appointment of two constables in every Hundred and also required the inhabitants to take their turn in a rota and patrol the streets and "so that suspicious nightwalkers are ordered to be detained by the watch" (Colquhoun, 1797). Some remains of the community system of policing were retained in the general duty of all adult males to take part in policing of the community (and to join in a 'hue and cry' when a crime or felon was discovered). The first sign of any real state policing can be discerned in a statute of Edward III (5 Ed.III cap.14) of 1332 which "empowered constables to arrest persons suspected of manslaughter felonies and robberies, and to deliver them to the Sheriff to be kept in prison to the coming of the justices" (Colquhoun, *ibid*). This was a significant change to the Saxon system for it gave appointed law officers a power of arrest, without warrant, in cases where they had no direct knowledge of an offence. This statute appears to mark the start of the decline in traditional, community-based policing.

By the early part of the 17th century the idea of community participation in the watch and ward concept had fallen into disrepute as the wealthier inhabitants of the growing towns did not relish disturbed sleep and so paid other citizens (often those of low character and habits) to undertake their nocturnal obligations. Critchley (1966) quotes Francis Bacon (Lord Chancellor from 1618 - 1621) as saying that the paid deputies and constable were 'of inferior stock, men of base conditions, for the petty constables in town ought to be of a

better sort’.

This poor quality policing revealed itself in the general lawlessness of the period from the end of the 17th century through the beginning of the 19th century and in London in particular the mob ruled and the law abiding were unwilling to travel from their homes at night. The highwayman ruled the roads in the countryside and footpads, cut purses and the mob made the streets of the larger towns and cities what today might be described as ‘no go’ areas.

It is in this state of anarchy that the private security industry in Britain has its origins. The wealth of the growing merchant class depended on commodities arriving from increasing overseas trade with England’s colonies and trading stations in both the Far East and the Americas. Rich merchants and the Guilds hired their own full-time watchmen (often recruited from among former seamen) and smaller traders would combine to hire protection when it was needed (for example, when a ship was newly arrived and a cargo needed protection).

The first formally constituted private security forces were almost certainly those set up the dock and wharf companies. Bilek (1977) comments that many of the members of these forces were actually sworn in as constables as this status rendered their employers immune from suit for misconduct or false imprisonment. Such was the state of lawlessness that these men were always armed with pistols and cutlasses.

At much the same time, Draper (1978:18) observes that the stage coach companies and freight carriers tried to overcome the problems of lawlessness by hiring armed guards but all of these measures had little impact on crime and the losses suffered must have been considerable. It should also be remembered that, although fire insurance policies had been underwritten in London since 1669, corresponding cover for theft did not become generally available until the latter half of the 19th century so the cost of losses had to be borne solely by the owners of property. The only recourse for the merchant or householder who suffered a loss was to subscribe to one of the private societies which undertook to search for felons to prosecute them and such organisations occasionally managed to recover property.

The first improvements in public policing since Mediaeval times took place in the latter part of the 18th century as a result of initiatives by a number of magistrates. The brothers Henry and John Fielding who held at different times the post of Chief Metropolitan Magistrate set up the organisation which was later to become the Bow Street Runners and utilised public funds to pay ‘pursuers’ who were sent out to find and arrest felons.

The Fielding brothers and another magistrate, Patrick Colquhoun tried on several occasions to persuade governments between 1785 and 1817 to formalise the status of public policing. There was little interest and the only imposition of any form of public law enforcement was the ‘last resort’ of using the army or militia to put down civil unrest.

In 1797 Colquhoun published his *A Treatise on the Police of the Metropolis* which for the first time provided a reasoned framework for the arguments in favour of state-funded and controlled policing. Colquhoun (1797) argued that there were more than 115,000 “of persons who are supposed to support themselves in and near the Metropolis by pursuits either criminal illegal or immoral.”

Discouraged by the lack of support and interest from the Government, Colquhoun turned

his attention to the problems of theft in the docks on which London and the country largely depended for its wealth. He estimated that at any one time up to 1000 ships and vessels were at risk of being preyed on by '...men unrestrained by any Police, or any hazard of apprehension; emboldened by the force of them Gangs, and the total want of a River Guard.' (Colquhoun, 1800: e2). Colquhoun estimated that out of 34,344 men employed on the river and the seagoing trade some 9600, including some ships' officers, were regularly involved in theft. Colquhoun's arguments were well received in the City and with the financial support of the Committee of West India Merchants who, on 30 January 1798 agreed to fund the service he went ahead with his plans. A little over two months later 'HM principal Secretary of State...gave his full approbation' to the scheme (Colquhoun, 1800: o2/II)

In 1829 the Metropolitan Police Act provided the foundations of the modern police service and provided London with a publicly funded police force for the first time. This did not end the need for private policing, because, as Draper comments, 'the need for private forces did not die out. There was no chance that the newly organised London police force could rid the City of over 100,000 habitual criminals overnight'. (Draper, *ibid*).

It was probably not until the 1890s that the effect of the new police service was sufficient to allow some of the fear of crime to disperse and for the property owning classes to develop confidence in their protectors.

Despite this confidence it would seem that there were always those who demanded a greater level of protection than the police offered. Large country houses were a favourite target of burglars in the period 1880 - 1939 with silver, jewels and antiques being the preferred targets. Contemporary newspapers and magazines frequently reported such thefts and the reports indicate that private detectives were often hired to supplement the safes and primitive alarms which were then being installed. Many large houses installed bank quality vaults in their basements and contemporary fiction so often uses a burglary at house parties as a theme that it would seem reasonable to assume that such crime was a genuine concern.

Across the Atlantic at the same time the growth of private security was unhindered by any constraints imposed by the development of public policing. The early colonists followed English models of law and law enforcement and the roles of the constable and sheriff can be discerned all over the US. By the 1820s, while individual cities began to set up their own police forces, the lack of any federal or state-wide policing and the rapid growth of trade and industry made it imperative for the banks, railroads and freight companies to protect their own assets. (The Federal Bureau of Investigation, although created in 1908, was largely ineffective until the pressures of Prohibition and gang warfare in the 1920s resulted in the appointment of J Edgar Hoover as Director in 1924). Private companies set about policing their own property in the towns with both a system of Merchant's police and private detectives (Bilek 1977). Prassel (1973) states that cattle and sheep ranches 'employed agents to prevent and investigate cattle rustling'.

The transport industry and banks not only hired their own guards and investigators but also provided work for the recently formed contract security companies such as Pinkertons. Many states recognised the value of such private policing and passed legislation which gave private police officers special powers. Bilek (*ibid*) quotes the examples of Oklahoma and Pennsylvania which both gave special arrest powers to railway police officers.

The growth of the railways in the period 1830 - 60 in the UK gave an equal boost to private policing and all the railway companies were given power by their own Acts of Parliament to set up police forces. The larger companies did so and the railway police forces, with access to the superior communications of their employers, effectively formed a private, national policing network before the First World War.

In the UK the modern security industry can most probably be traced to the foundation of Machinery and Technical Transport Ltd in 1926. This company was set up to provide secure transportation of cash and valuables (Draper: *ibid*). Nine years later, in 1935, apparently as a result of the concern expressed by householders at an increase in burglaries in North London, several residents 'clubbed together to employ guards to help protect their property at night. These guards were raised, uniformed and supervised by a company called Night Watch Services Ltd.' (Margetson, 1968: 40-1). Draper (*ibid*) records that this company was formed to provide uniformed guards (equipped with bicycle, whistle and truncheon) who patrolled the Mayfair area and carried out checks on empty homes. In the late 1950s the other major players entered the field; Chubb, well known for its locks and safes set up a guarding subsidiary in 1960. Group 4 (a major player in Scandinavia as Securitas) bought Factoryguards Ltd, a small UK guarding company, and expanded nationally and by the early 1970s, encouraged by the wider opportunities created by the increase in crime and the new threats of terrorism (see below), a number of US companies, including Burns, Wackenhut and Interstate were all active in a growing UK market.

Private policing and public interest

The growth of the private security industry in the UK since the 1970s can be seen as primarily as response to three separate stimuli. Firstly, and most obviously, the growth in crime. Secondly, the threat of terrorism and thirdly, in response since 1979, to substantial changes in Government policy (deregulation, privatisation and contracting-out). In the case of all three elements there will be some truth in the assertion that an increase in the use of privately financed security measures is in some way a result of a lack of confidence in the services provided by the police.

The growth of private security which has accelerated in the last 25 years for reasons already discussed has not been without its critics. Often, this criticism has been directed at the lack of accountability of the private security function operating in a public place and one does not have to be over-sensitive to determine that many of those who seek to constrain private security do so for political rather than ethical reasons. Thus in the UK, the main critics of the security industry have tended to be a strange coalition of civil libertarians, the extreme left and the Police Federation (an association representing most police officers).

The fact that there is little regulation and no formal licensing scheme for private security personnel or companies have provided these groups with some reasonable basis on which to lobby and at the time of writing the UK Government have finally decided to honour promises to set up a licensing and registration system and it is expected that a draft Bill will be published in late 2000. How far such a system will influence the further development of the security profession - and the industry which many of its members serve is not clear but at least it will be possible for the first time, for most security contractors to conduct legal checks of job applicants backgrounds and determine whether they have any criminal convictions.

The philosophy of corporate security

The main distinguishing feature of the corporate security operation has to be the commitment which is demanded of it by its employers. The larger and more diverse, the greater the commitment. This can be demonstrated by looking at the organisation and structure of the security functions of the major multinationals.

In some of the larger petrochemical companies the corporate security function has resources and support which is denied to many police departments. A range of specialist personnel provide full loss prevention services on a 24 hour global basis. Operating from well-equipped headquarters, such departments rival the security functions of smaller governments.

At its heart is the primary mission of corporate security. This has been defined as:

- to protect the people who work for the organisation
- to protect the organisation's property
- to prevent the organisation from incurring liability

In many cases the implementation of these aims requires use of the full armoury available to industrial security, including sophisticated communications, surveillance and identification systems. Some multi-nationals provide their security forces with equipment which is every bit as up to date as that used by national police forces and the military.

However, unlike those employed by Governments, the corporate security professional may have problems in doing his or her job. Just how much loyalty does one owe ones' employer? Recent UK cases where the owner of a major department store required his head of security to undertake illegal acts demonstrates just this point.

While there may cases where interests of national security justify a breach of the law, can corporate security interests ever make this ethical?

Again, this is a topic in its own right and those interested in the subjects of ethics and security may find reference to the American Society for Industrial Security International's Code of Ethics useful.

The growth of global corporate culture

Almost paralleling the growth in security the growth of a global corporate culture can be distinguished as one of the most prominent facets of the last quarter of the twentieth century. Starting with the export of global brands and the development of consumerism the world has been changed dramatically since the end of the second world war by the upsurge in the export of western culture.

What was once decried by the former East bloc as 'Coca-colonisation' is now seen as an statement of the power of the brand name and the dominance of the cultural and consumer icons of the West and the Pacific Rim. It has been said that the Kodak trade mark is the most recognised symbol in the world and some other trade marks have developed their own distinctive appeal - in East Africa for example, the Swahili language now has a term to describe the economic upper level of society - 'the Wa-Benz' - literally the people of the (Mercedes) Benz!

The power and influence of the corporations which operate globally has influenced markets, education, culture and even standards - a good example of the latter being the impact of western hotel chains who import a whole range of technology in support of their operations, In the case of the former East bloc it has been suggested that the influence and activity of the hotel chains have created an improvement in the standards of fire safety across the board.

Internationalism

Running closely with the development of the corporate culture has been the trend towards internationalism. Most often identified with the individuals who work outside their home country for multinationals or international organisations there is now a well-developed and sizable group of people who often feel their allegiance is to the corporation rather than their native country.

This tendency, when coupled with the fact that the revenue streams of large companies now comfortably exceed the GNP of many UN member countries it is clear that while the global corporation may be a force for good, it has the potential to act against the best interests of its host country.

The bottom line might well be for the security director of a multi-national to have to decide whether his primary loyalty is to his employer or to his country.

2. Security as a Management Discipline

Professionalism and the development of the academic base - security education

Alex Smart, a former head of corporate security for Shell, said in Hong Kong in 1980 that security would never be recognised as a profession until it developed both an academic base and a corpus of literature. This is now happening and from small beginnings both in the US, Europe and the Far east it is clear that security practitioners and academics with an interest in the area have been active in developing the foundation for this newest profession.

There have been basic security management qualifications available since the mid 1960's when the Institute of Industrial Security was founded by the IPSA in the UK. In 1975 ASIS formed the Professional Certification Board which offered to exam practitioners for certification in the US.

Developments in the US since 1975 and the in the UK since 1990 now mean that it is possible to obtain first degrees, post graduate degrees and doctorates in security-related subjects. US security degrees seem to have derived largely from law-enforcement based qualifications whereas the UK has allowed both these areas to develop separately. It is worth noting that the recently formed UK-based Institute of Security Professionals will shortly be publishing a directory of security qualifications which will list all exam- and university-derived qualifications.

Career Development and the Security Professional

Twenty years ago this would not even have been mentioned at a security conference. There was no progression in security - unless you count applying for better-paid jobs. Most people working in any level at security management did so after careers in the police or military.

At the same time for those who were ambitious or for those of us who lacked substantial police or military experience the only way forward appeared to be via the qualifications offered by the UK's then Institute of Industrial Security. Set up by a number of International Professional Security Association members in 1966, by the mid 70s the IISec offered two grades of examination and advancement to Fellowship via a piece of written work. And that was all there was in the UK. Elsewhere things were little better. Until ASIS set up the Certified Protection Professional qualification in 1975 all that was available in the US were a few colleges offering associate degrees in 'criminal justice' - courses intended for police officers.

If you wanted to do anything else to improve your skills (or employability) then the upwardly mobile security manager could acquire safety or fire qualifications or study for a management diploma. Until the end of the 70s it was difficult even to find a decent book on security - just about all there was was Oliver and Wilson's *Practical Security in Commerce and Industry*. Even the title has an archaic feel to it: Commerce and Industry... it almost like the black and white world television world that we older chaps remember. (Not many people know that IPSA used to be the Industrial Police and Security Association and I still remember a factory where I worked during a University vacation where the security gatehouse was officially known as the Police Lodge).

How different is the position today. Six UK universities offer security qualifications at three or four different levels, National Vocational Qualifications will soon be available at management level, the IISec still offers its three grades, the Institute of Security Management offers memberships, the Institute of Professional Investigators offers a membership structure and its own exams. The CPP can now be taken outside the US. In related fields there are qualifications in fire, safety, risk management, disaster preparedness and all sorts of security-technology courses.

In the management arena there are the specialist qualifications. Courses (and examinations or certificates) in hospital security, aviation security, fraud investigation, marine security, retail security are all out there. The difficulty lies, unlike the problems of the 70s, not in finding training or qualifications, but rather in evaluating what is relevant and useful.

So what is the ambitious, young security manager to do to make his way in the world today? There are probably two main choices; to be a general practitioner or to specialise - for example in IT security or in security systems technology. (One of the greatest missed opportunities for the security profession was when most of us ignored the introduction of the computer into our companies. Whether it was the keypad - which brought with it echoes of the typing pool - or simply that most computer specialists of that period were extremely odd people, I don't know, but those who jumped on that particular bandwagon have done very nicely thank you.)

The general or corporate security practitioner will always be the largest part of the profession and although there are significant differences between, for example, providing security services in the retail industry compared with banking or finance, there are also many similarities and many individuals have moved successfully between such different companies. What is fundamentally important needed is that blend of skill and experience which distinguishes the true professional from someone just managing to get by. In fact, if one analyses the knowledge elements which relate to the security professional's day job the uninitiated (especially among the personnel fraternity - or increasingly - sorority) are always surprised at just how much we have to be able to deal with.

Academic security qualifications will teach you how to think, how to analyse other people's work and provide some basic understanding of criminals and their psychology. The CPP and IISec qualifications will prove to others that you understand the nuts and bolts of your profession but how you apply this knowledge and your previous experience depends very much on you.

What is certain is that employers will soon start to insist on professional qualifications and previous military or police service alone will be insufficient to guarantee a job. What we must do is make sure that we in the profession decide what qualifications are important and relevant - we must control our own destiny and not allow others to dictate how we develop.

Risk management and its influence

The development of risk management as a separate discipline has both helped and hindered the practice of security management. Risk management appears to have emerged from the US towards the end of the 1960s and is an offshoot from the interest shown by insurance companies, brokers and large purchasers of insurance in the scientific approach to assessing and controlling risk. One suggestion is that risk management developed primarily as a means to help the larger US corporations develop and quantify their own self-insurance programmes or 'captive' companies.

The problem that has arisen is that risk-management is seen by some to be synonymous with insurance and that some practitioners have simply changed their job title from 'Insurance Officer' to 'Risk Manager' and carried on as before - one cynical observer adds to this 'with a 100% increase in salary and a much better company car !'. This dependence on insurance has hindered the rightful development of security as one of the key factors in risk control. Safety management, by contrast (together with fire protection) tends to have a statutory basis whereas the existence of a security function is at the whim of senior management.

Risk management in its best existence however has developed several useful tools which can be acquired by security practitioners. These can best be summarised as follows:

Taking the example of a workshop where it may be necessary to use a particular flammable solvent-based chemical. The solvent is a hazard as it can easily be ignited and may cause a fire. The risk to the premises and their contents is the fire which may occur. The risk can be managed in the following ways:

- Risk elimination - find a non-flammable alternative.
- Risk control - minimise the quantity of liquid stored in the building; keep it in a secure container inside a proper flammable liquid storage cabinet; ensure that adequate fire protection measures to prevent, detect and extinguish fires is in place; ensure that structural fire precautions will contain the fire and minimise fire spread and damage.
- Risk avoidance - do not undertake the industrial activity.
- Risk transfer - contract the process out to another organisation.
- Risk financing - take out insurance or make financial provision to under-write the risk.
- Risk acceptance - after reviewing the whole process decide that the risk is acceptable.

From the above it should now be clear that risk assessment is the first step in understanding and controlling risks.

Security professionals should work closely with risk managers and utilise the strengths and influence that the risk management function can bring to bear on security problems,

Contribution to the bottom line - security as a profit centre

The final development is the concept that security should provide a contribution to the bottom line of the organisation - that security should be a profit centre rather than an overhead.

This is a comparatively new idea and is based on work done in the UK by Paul Elliott when head of security for a major retail chain. Elliott suggests that by accurately quantifying the cost of security breaches which result in losses and carefully recording recoveries made it is possible to produce figures which will allow senior management to understand what the presence or absence of security can do for the bottom line. Security costs can then be apportioned to line functions in parallel with their losses and their need for security protection.

Given that in many organisations the difference between profit and loss can be less than 2 or 3% of turnover it may become abundantly clear to senior management that the security function plays a key role in keeping the company in business.

3. Security and Technology

Impact of the microchip

The single biggest change in security technology in the last 25 years has been the development of the microchip. As late as 1982 some major supplier of alarm control panels were still producing units with electromechanical relays. Now the computer based system is everywhere.

Closed circuit tv cameras used to be expensive, large and bulky and required significant amounts of power. In addition, most cameras provided only black and white pictures and performed poorly in low light conditions, Now cameras based on a single chip, requiring tiny amounts of electricity provide colour pictures in near darkness - and cost less than the lens of the pre-microchip camera.

A range of intruder detection sensor provide and enormous variety of ways in which a building can be protected. Biometrics will allow authorised persons to enter a building by scanning and measuring features which range from fingerprints to retinal blood flow. Laser and hologram-based ID cards offer high quality colour reproduction and a card that is highly secure from copying, forgery or tampering . The list of advances is endless - manufacturers stand ready to meet any and all security needs - for a price.

Threats and opportunities

The greatest problem with the proliferation of technology is the sheer difficulty of keeping up with what is on offer and the speed of development. Today's 'state-of-the-art-system' can be obsolete tomorrow. At the same time, the old demands of reliability and low running costs are not always seen as priorities by suppliers and manufacturers. Taking their cure from computer software manufacturers too often producers are shipped before their have been 'debugged'. On occasion, products are announced, sold and installed before they have

bee fully developed and the purchaser has ended up being responsible for a system which should still be on test in a laboratory.

The sheer volume of new developments and keeping up with technology also causes problems for the security professional . One measure of this progress is by comparing the number of exhibitors at a large security exposition. In 1975 there were 40 companies taking space at the show, In 1999 there were more than 1500 ! How can one individual, however well motivated, hope to be *au fait* with the essential characteristics of the technology on display ?

The opportunities inherent in this explosion of technology are clear - and the order of priorities would probably be agreed by most working in the field. What most practitioners would like to see in their hardware would be:

- Reliability and freedom from false alarms
- Ease of operation
- Low maintenance costs
- Simplicity of installation
- Ongoing support from manufacturer/installer

Almost certainly most of us would prefer these attributes to the availability of more unwanted features or more complex systems.

The communications revolution

The global telecommunications revolution which resulted in part from the development of satellites, fibre optics and the microchip as well as a relaxation (in many countries) of the state control of telecommunications systems has had some significant impact on security.

It is now possible to monitor premises on a computer via a cctv camera down a telephone line from anywhere in the world. In theory, there would be nothing to stop a company in Europe transferring all its alarm signals and cctv links to a monitoring station in Chicago at close of business in London and these systems could then be transferred to a central station in Singapore when the mid-West goes home. 24 hour coverage without anyone working night shifts !

Already Call Centres operate across national boundaries. A company in Paris wishing to verify a credit reference calls a toll-free number and speaks to an operator in Birmingham; a London computer user with a problem calls a UK number and speaks to an expert in Stockholm - the list of examples is endless.

The internet itself provides significant examples of access to information which only five years ago would have seemed like science fiction. (Indeed, the invitation to submit this paper was received in an e mail and all the initial organisation details of the author's attendance at the conference was accomplished via e mail or fax.)

4. Security and the New World Order

Terrorism and protest

It seems almost as though the collapse of the Eastern Bloc and the conversion of most of the former communist states into nascent democracies has been accompanied by an increase in

the use of violent protest as a demonstration of dissatisfaction. It is certainly true many companies who have never in the past experienced this activity have now had to consider the threats that it presents to their operations.

Companies and premises which have been subject to non-peaceful protests include:

- Petrochemical
- Construction
- Pharmaceutical
- Fashion and clothing companies
- Timber and pulp
- Meat producers
- Supermarkets
- Travel agencies
- Airlines and transport
- Tax offices
- Lawyers' offices and Court buildings

Some of these are easy to explain - attacking petrochemical and utilities such as power companies has a history which stretches back to the early sixties and the US protest movements instigated by the Yippies, the Symbionese Liberation Movement, the Black Panthers and others. The attacks on a number of these groups is explained by the increasingly fanatical-fringes of some respectable pressure groups. For example, the various groups involved in campaigns in the UK against cruelty to animals encompasses both the ultra-respectable Royal Society for the Prevention of Cruelty to Animals and the Animal Liberation Front - a group which has been described by as potentially more dangerous than the Provisional Irish Republican Army.

It may be that more extreme tactics have been adopted by some groups who see the relative success of the Irish nationalist campaigners - it is certainly true that some industries (fur, the transport of live animals to Europe) have been severely disrupted or even wiped out by the actions of a very small number of people.

Other groups have chose a wider agenda - campaigning as environmentalists opposed to any further industrial or commercial development. Such groups variously oppose nuclear power generation, road building, new airports, construction in previously rural areas, logging, genetically modified crops, the use of private cars and burning of fossil fuels. In some cases passive protest methods have been adopted (building underground tunnels and tree houses to delay roadworks but often this spills over into violence and criminal damage. In the US Northwest a number of timber company employees have been killed and seriously injured by 'tree spiking' carried out by protesters. Certainly the recent demonstrations against the World Trade Organisation in Seattle and Washington and against capitalism in London have caused the authorities some concern. Much of the problem is that the internet and mobile phone have rendered traditional hierarchical structures inside subversive organisations unnecessary. And if you don't know who is organising a demonstration or attack how can you take steps to prevent this ?

It is certain that companies engaged in any kind of activity which may be deprecated by even a small group may have to plan to provide enhanced security and swifter responses to threats. A number of UK pharmaceutical companies have had to do just that to provide protection of some of their research facilities where animal rights groups have set fires, planned bombs, released laboratory animals and threaten scientific and laboratory staff.

Litigation and liability

The extension of corporate liability for a range of real or imagined wrongs is likely to assume even greater importance in the future. While neither the frequency of litigation nor the extreme range of damage awards now seen in the US is likely to extend to the rest of the world it is clear that society now demands much higher standards from corporations. The UK, for example is about to extend its law to provide for a new offence of corporate manslaughter where a company's directors could be indicted as the result of certain types of accident. Suggestions are that the sorts of circumstances which have prevailed in recent air and rail crashes would have resulted in prosecution.

At the same time the climate which encourages large financial settlements of consumer claims means that liability insurance will become at best more expensive or ultimately unavailable in certain markets.

Security has a key role to play in all of the areas protecting the assets of the corporation and at the same time providing key data in the forms of surveillance tapes to convince the courts and insurance companies that appropriate measures were taken.

The trend towards 'consumer terrorism' also needs to be countered by strengthening employee screening and validation of personal work histories to ensure that minimal opportunity is given to the members of terrorist groups to obtain first hand experience of the company and its sites.

It's also worth noting a recent UK lawsuit where a municipality was sued as a result of a fire which broke out in an empty building owned by the municipality and destroyed two factories. The court accepted arguments which said that as the council was aware of problems of arson and vandalism in the area they should have taken appropriate security precautions. As far as is known this is the first case where the responsibility for security has been extended to cover the liability for neighbouring premises.

Protection of intangible assets

Very much a part of this whole corporate security ethos is the extension of protection to all company assets - not just plant, machinery and buildings but also things like commercially sensitive information, process secrets and of course, information derived from expensive research operations.

It is obvious that some secrets are vital to a company's future - the recipe for Coca Cola might well be one, but also details of the manufacture of a new wonder drug might be the only tangible results a company has to show for twenty years and millions of dollars worth of research. If this is lost or stolen before a patent application is filed and unscrupulous rival could preempt the whole process.

It should also not be forgotten that the reputation of a company can be as valuable as its products. In the time of global brand names and instant communications, the information that company A has taken its best selling soft drink off the market in Country B because of contamination is big news around the world - and as we have seen from a number of recent cases, the impact can be significantly greater than the one country where the recall is warranted. This of course, means that while accidental contamination is bad news, the opportunities for deliberate contamination (for whatever reason) can be infinitely worse.

Reputations can also be affected by other external activity. For example both Procter and Gamble and Macdonalds's have been the subject of various 'whisper' campaigns - ranging from allegations that the company supported witchcraft to suggestions that their commercial activities resulted in damage to the Rain forests. The speed with which the Internet can spread rumours as well s information suggests that this is likely to be a possible future problem for corporations.

5. The Future

Whatever the future may bring there are some things that appear certain:

- Increased globalisation
- The Megacompany - and possibly the corporate state ?
- Instant - and cheap access to information with the potential for super-hackers and even cyber-wars
- New threats to companies and corporations

All of these require the attention and activity which only a good corporate security programme can provide. Security professionals will have to prepare the ground to ensure that proper plans are put in place and at the same time take the necessary steps to minimise the impact on the corporations bottom line of the existing security problems and these new threats to the company's profitability.

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